

To the Members of the California State Assembly:

I am returning Assembly Bill 3018 without my signature.

Inconsistent interpretation of existing law has created confusion relative to when and how employers must provide meal and rest periods to their employees. This confusion has left many employers facing steep penalties for failing to adhere to the law, even if they believe they have met all required mandates. In addition, increased penalties for failing to provide necessary meal and rest periods have, unfortunately, provided incentive for some to take advantage of the confusion in this area in the hope of securing hefty awards from employers. This confusion is also hurting employees, as employers are growing so fearful of being hit with claims and lawsuits that they are resorting to rigid policies that deny employees any flexibility in when they may take their meal and rest periods.

This bill addresses this problem for unionized employers in the transportation industry, allowing the establishment of specific criteria regulating meal periods via collective bargaining. Unfortunately, this problem impacts both union and non-union employers and spreads across almost all industries.

In addition, I believe that a good portion of this issue can be addressed administratively. Regulations are warranted to clarify when an employer has complied with the mandate to provide meal and rest periods. I am directing the Labor and Workforce Development Agency to immediately commence rulemaking on the regulations it believes necessary to resolve the confusion in existing law without hindering employees' access to meal and rest periods in any manner. If issues are identified that cannot be remedied administratively, I am asking the agency to propose legislation to address them next year.

Sincerely,

Arnold Schwarzenegger